

March 27, 2006

VIA E-FILING & HAND DELIVERY

The Honorable Charles L.A. Terreni
Chief Clerk/Administrator
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Re: Annual Review of Base Rates for Fuel Costs of South Carolina Electric and Gas Company
Docket No. 2006-2-E

Dear Mr. Terreni:

Enclosed please find twenty-five copies of Mr. Watts's unredacted surrebuttal testimony with one attached exhibit. Also attached is a Motion for Confidential Treatment requesting that the unredacted surrebuttal testimony and exhibit be treated as confidential. The copies of the unredacted surrebuttal testimony and exhibit are attached in a sealed envelope marked "CONFIDENTIAL."

A redacted copy of Mr. Watts's surrebuttal testimony was filed with the Commission via the Commission's electronic filing process. ORS is treating the entire exhibit as confidential, therefore, it was not included in the electronic filing. Pursuant to the electronic filing rules, please find enclosed one copy of Mr. Watts's redacted surrebuttal testimony. The attached redacted documents are exact duplicates of the e-filed copy submitted to the Commission in accordance with its electronic filing instructions.

Please kindly date stamp the extra copy of each testimony version for our courier. By copy of this letter we are also serving all other parties of record both the redacted and unredacted versions as they have signed a Confidentiality Agreement for this docket. Please let me know if you have any questions.

Sincerely,

Shannon Bowyer Hudson

SBH/pjm
Enclosures

cc: Patricia Banks Morrison, Esquire (w/enc)
Mitchell M. Willoughby, Esquire (w/enc)
Belton T. Zeigler, Esquire (w/enc)
Scott Elliott, Esquire (w/enc)
E. Wade Mullins, III, Esquire (w/enc)
Damon E. Xenopoulos, Esquire (w/enc)